GOVERNMENT OF ANDHRA PRADESH ABSTRACT

CIVIL SUPPLIES – Public Distribution System – Procurement of Redgram Dal by A.P. State Civil Supplies Corporation Limited, Hyderabad for distribution to the BPL families at subsidized rate under Market Intervention Operations 2008-09 – Re-imbursement of VAT paid by the A.P. State Civil Supplies Corporation Ltd – Orders – Issued.

CONSUMER AFFAIRS, FOOD AND CIVIL SUPPLIES (CS.I) DEPARTMENT

G.O.RT.NO. 128 DATED: 3-10-2008

Read the following:-

1. G.O.Rt.No.81, C.A.F.& C.S.(CS.I) Dept., dt. 6.6.2008.

2. Lr.No.Mktg.M6/5547/2008, dt. 6.8.2008 of VC & Managing Director, A.P.State Civil Supplies Corporation Ltd.Hyderabad.

ORDER:-

Government have decided that Redgram Dal and Palmolein Oil shall be procured by calling global tenders on monthly basis for delivery at MLS Points for distribution to the white cardholders @ 1kg of Redgram Dal and @1 litre pouch of Palmolein Oil per card through all the fair price shops in the districts.

- 2. Orders were issued vide reference 1st read above, permitting the A.P. State Civil Supplies Corporation Limited to purchase Redgram Dal by calling All India Tenders as per the requirement for delivery at MLS Points for the quantity decided by the Purchase Committee to distribute to all the white cardholders at an end consumer price ofRs.30.00 per kg. which includes handling charges and transportation charges to A.P. State Civil Supplies Corporation Limited and margin to the fair price shop dealers. It was also ordered that the difference between the economic cost and the end consumer price fixed for Redgram Dal by the government, for the entire transactions, will be reimbursed to the A.P. State Civil Supplies Corporation Limited by the Civil Supplies Department from the Market Intervention Fund provided for the year 2008-09.
- 3. The Vice Chairman and Managing Director, A.P. State Civil Supplies Corporation Limited, Hyderabad has informed vide reference 2nd read above that they have floated All India Tender for procurement of 20,000 MTs per month on rate contract basis for the months from July, 2008 to March, 2009 and the average rate offered by the tenderers for supply of 22,480 Mts per month during the finalization of Redgram Dal tenders for July, 2008 was Rs.43,340-00 per MT. She has also stated that while taking the average rate of Rs.43,340-00 per MT, the VAT @ 4% comes to Rs.1,733.60 per MT and during finalization of tenders for July, 2008, the tenderers of other States and some of the tenderers of Andhra Pradesh have requested for exemption for payment of VAT if they procure Redgram Dal from other States other than Andhra Pradesh for supply to A.P. State Civil Supplies Corporation Limited. The Vice Chairman and Managing Director, A.P. State Civil Supplies Corporation Ltd, Hyderabad has, therefore, requested the Government to consider that if the Redgram Dal is procured from other States, the VAT exemption may be given to such of the traders who have been brining the Redgram Dal from other States other than Andhra Pradesh or the Corporation may be permitted to pay the VAT on such quantities purchased subject to reimbursement by the Government in order to procure more quantities of Redgram Dal from other States to stabilize the open market prices in Andhra Pradesh.
- 4. After careful examination of the proposals, Government hereby order that the Andhra Pradesh State Civil Supplies Corporation Limited shall pay VAT on purchase of Redgram Dal Brought from Places outside Andhra Pradesh for distribution under

Public Distribution System and later claim reimbursement within the overall subsidy provided to the Department

- 5. The Commissioner of Civil Supplies, Hyderabad is requested to take further action accordingly.
- 6. This order issues with the concurrence of Finance Department vide their U.O.No.9193/279/Exp.AHFFCS&E/08, Dated: 23.9.2008.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SANJAY JAJU, EX. OFFICIO SECRETARY TO GOVERNMENT

То

The Commissioner of Civil Supplies, Hyderabad

The Vice Chairman and Managing Director, A.P. State Civil Supplies Corporation Limited, Hyderabad.

Copy to:

The Prl. Secretary to Govt., Finance Dept.

The Spl. Secretary to Chief Minister

The P.S. to Min (FCS,LM&CA)

The P. S. to Chief Secretary to Govt.

SF/SCs.

//FORWARDED BY ORDER//

SECTION OFFICER